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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In re Applications of

RAYMOND W. CLANTON

LOREN F. SELZNICK

For Construction Permit for a new FM Station on Channel 279A in El Rio, California

To: Administrative Law Judge John M. Frysiak MM Docket No. 93-87

File No. BPH-911216MC

File No. BPH-911216MD

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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

OPPOSITION TO NOTICE OF APPEARANCE FOR CROSS EXAMINATION

Raymond W. Clanton, by his attorney, hereby opposes the notification of Loren F. Selznick to cross examine him at the hearing session on the standard comparative issue, to be held November 4, 1993. On October 12, 1993, Selznick first filed a brief notification of intent to request Mr. Clanton for cross examination. This filing was without a showing of support for her request; it stated that a supplement containing such a showing would be filed later. Such supplement was actually filed on October 22, 1993. It was served on counsel for Clanton by mail and was received by him on October 25, 1993. Clanton opposes Selznick's request for the following reasons.

Selznick's submission of October 22, 1993, is inexcusably late. By Order, FCC 93M-598, released September 20, 1993, copy attached hereto as Exhibit 1, the presiding judge modified the procedural schedule as set forth in a consent Motion filed by Selznick on September 16, 1993. A copy of the pertinent part of Selznick's September 16 Motion is attached as Exhibit 2. Therein, Selznick requested October 19 as the date on which

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the presiding judge and <u>all parties</u> be hand served with the witness notification. The September 20 Order adopted this requirement.

Selznick made no notification on October 19, nor on October 20, or October 21, for that matter.² At approximately 5:30 p.m. on October 22, counsel for Selznick telephoned the undersigned counsel for Clanton and informed him that he would be <u>mailing</u> his witness notification that day.

Selznick has not requested an extension of time in which to make known her cross examination desires. Moreover, good cause for such an extension does not obtain. Counsel for Selznick received a copy of Clanton's deposition transcript on October 13, 1993 (during the deposition of Ms. Selznick). Thus, counsel for Selznick had ample opportunity to review Clanton's deposition transcript prior to the October 19 notification date, a date sought by Selznick.

It is clear, therefore, that Selznick's supplemental notification of October 22, 1993, and not hand served on counsel for Clanton, must be dismissed as inexcusably late. Without consideration of this supplement, there remains for consideration only her initial notification. Therein, she merely indicated the areas of Mr. Clanton's testimony on which she seeks to cross examine. She offered no evidence which contradicts Mr.

During a telephone conference with counsel for Clanton and Selznick, the presiding judge indicated he would be disposed to allowing Clanton a brief extension of time to determine whether to call Ms. Selznick for cross examination on the comparative issue, in order to schedule her deposition on a date which would accommodate the schedules of all parties. There has never been a discussion about extending the date by which Selznick had to notify Clanton.

²Clanton notified all parties on October 19 that he did not desire to cross examine any witnesses on Selznick's comparative case. Clanton's notification was made in a timely fashion, not taking advantage of the presiding judge's offer to allow Clanton's counsel a short additional time to review the transcript of Selznick's deposition, if needed.

Clanton's direct testimony in any way. There is obviously no basis in Selznick's October 12, 1993, notification to compel Mr. Clanton's appearance at the hearing.

Moreover, even should Selznick's supplement be considered, she has not demonstrated a valid basis to cross examine Mr. Clanton. It is Commission policy not to permit cross examination on the standard comparative case, absent a showing that "material issues of decisional fact cannot be resolved without oral evidentiary hearing procedures or the public interest otherwise requires oral evidentiary proceedings." Section 1.248(d)(4) of the Commission's rules.

In adopting the above-cited rule, <u>Proposals to Reform the Commission's Comparative Hearing Process to Expedite the Resolution of Cases</u>, 6 FCC Rcd 157, 162-63 (1990),

the Commission stated that:

we will make it clear that ALJs should permit oral testimony and cross examination only where material issues of decisional fact cannot adequately be resolved without oral evidentiary hearing procedures or the public interest otherwise requires oral evidentiary proceedings. Witnesses should not be requested for cross examination unless there is a legitimate expectation that some part of their direct testimony, as reflected in exhibits, is subject to a question of substantial decisional significance.

Even were the presiding judge to accept Selznick's late-filed supplement, he must conclude that Selznick has failed to meet the Commission's test. While she cites certain pages of the transcript of Clanton's deposition, she fails to provide copies of any transcript pages. As a result, her characterization of Clanton's deposition testimony is nothing more than unsupported hearsay. Moreover, in many cases, she misrepresents Clanton's testimony. Selznick's supplement may not serve as

the basis for requiring Mr. Clanton to appear at the hearing.

Selznick first argues that Mr. Clanton's full time integration pledge is suspect. His direct case testimony says that he will sell the park "so as to be completely free to devote his full time to the radio station." Selznick first questions when the park would be sold. The answer is contained in his written testimony; it will be sold in such a manner that will leave Mr. Clanton completely free to devote his full time to the radio station from the day it starts broadcasting.³

Clanton's deposition testimony is entirely consistent with this answer. He gave the following at TR 44, lines 10-22,

- Q. If you get the license to build the radio station in El Rio, do you intend to continue working at the fun park?
 - A. No, I do not intend to continue working at the fun park.
- Q. Do you intend to have someone else working instead at the fun park?
 - A. No, I would have nothing to do with the fun park.
- Q. How do you intend to divorce yourself from your duties at the fun park?
- A. If I am the sucessful applicant here, I intend to sell the Verde Fun Park.

At TR 52, lines 7-22, he testified as follows.

- Q. Ray, have you discussed with either Mr. and Mrs. Mulcaire your intention to sell the fun park if you are granted this application?
- A. No, there have been no such discussions with them or anyone else.

³ Selznick comments that Mr. Clanton's promise to move to El Rio contains a more specific date. It is clear that once he is residing in El Rio, he will not be spending any time in Arizona. Selznick's quibble with the language of Clanton Exhibit 1 is without substance.

⁴ In contrast with Selznick, Clanton is attaching the cited pages of his deposition transcript.

- Q. Does that include Peggy?
- A. No, that doesn't include Peggy. Sorry. That's an oversight.
- Q. You have discussed with Peggy your intention to sell the fun park?
 - A. If I am the successful applicant.
 - Q. What did you tell her?
- A. I said that if I am the successful applicant, the rules of the FCC state that I must devote my entire time and effort to running of said radio station. Therefore I will be selling the fun park.

As the presiding judge ruled during Mr. Clanton's deposition, Mr. Clanton's divestiture commitment is complete. (TR 89, line 8) That Mr. Clanton has been devoting his time and energy to the park does not adversely affect his divestiture commitment. The Commission has repeatedly held that an applicant may take other employment, or pursue other areas, during the pendency of his application. Coast TV, 4 FCC Rcd 1786 (1989) (subsequent history omitted) ("It is unrealistic...to expect the status of the principals of an applicant to remain static during often lengthy proceedings"); CR Broadcasting, Inc., 5 FCC Rcd 5348 (Rev. Bd. 1990) (Applicant's enrollment in graduate program, which he could terminate at will, did not undermine integration pledge), rev. denied, 6 FCC Rcd 1384 (1991), recon. dismissed, 6 FCC Rcd 4180 (1991). In this regard it is also noted that Ms. Selznick is actively engaged in the practice of law, to the point that scheduling her deposition was difficult, yet she proposes to abandon her legal career and manage the station, should she be the successful applicant.

Selznick points to the fact that Mr. Clanton refused to answer certain questions about the park at his deposition. The presiding judge ruled that these questions were not proper at the deposition. They would

be equally impermissible at the hearing, where the scope of permitted questions is narrower. Hence, Mr. Clanton's refusal to answer irrelevant questions at his deposition does not justify his appearance at the hearing.

Under the guise of questioning Mr. Clanton's commitment to sell the fun park, Selznick notes two other activities of Mr. Clanton. She fails to demonstrate any connection between them and the fun park, however. She states that Mr. Clanton has "a research company that develops sports products." She omits that important facts that (a) it is a sole proprietorship (TR 58, line 21-TR 59, line 1) and (b) that Mr. Clanton will dissolve that business if his application is granted. (TR 61, lines 13-17)

Selznick further asserts that Clanton owns real property which makes demands on his time. She omits the fact that there are only two such properties, one residential and one commercial. She states that Mr. Clanton has regular duties in connection with the ownership of these properties. These "duties" consist of supervising repairs when they may be needed; they are not regular, time consuming activities. While mentioning that he visits each property a number of times each year, with the exception of the past four or five months when there have been no visits, she fails to state that each visit consists of conversation with the tenants, and lasts half an hour to an hour. (TR 65, lines 5-10) Clearly, his rental properties take a minimal amount of his time.

⁵ In her footnote 4, Selznick incorrectly states that Mr. Clanton has other Arizona investment property. The rental properties are located in Ventura (close to El Rio) and in El Rio, California. (TR 62)

⁶ Selznick claims there are questions as to whether Mr. Clanton will sell his rental property. He has made no commitment to sell them, so no questions on such topic need be asked.

Certainly, there is no showing that Mr. Clanton will not have 40 hours per week to devote to his radio station.

Selznick cites Mr. Clanton's testimony that his home "has to be cared for." Every home, no matter where, has to be cared for in terms of cleaning and general maintenance. Moreover, Mr. Clanton will sell his Arizona home. (TR 125, lines 2-4) Hence, Mr. Clanton's Arizona home does not impact on his integration commitment.

Lastly, Selznick notes that Mr. Clanton has contracted to purchase land in Arizona. She concedes that, if he is successful in this proceeding, he will not develop the property, but will merely hold it for investment. Holding land for investment is not a conflict with Mr. Clanton's integration commitment.

In summary, Selznick demonstrates no basis for questioning Mr. Clanton's ability to fulfill his integration commitment. She fails to show that he has any other <u>commitments</u> which would conflict with his ability to devote full time to his station.

The second area of desired cross examination is Mr. Clanton's claim for past residence and civic activities in the service area. Specifically, she seeks to inquire how he determined the claimed percentages of time spent in the service area. Selznick does not demonstrate that Mr. Clanton's claim of past local residence is incorrect in any way. She asked questions on this topic at his deposition, yet fails to cite his answers in her supplement. Merely indicating a desire to ask questions in certain areas does not justify cross examination under the Commission's proce-

dures. Selznick has not indicated what relevant information on his local residence she intends to educe via cross examination. She has provided no basis to question Mr. Clanton on his past local residence. Selznick did not question Mr. Clanton about the location of his civic activities during his deposition. If Selznick believes Clanton's direct case is incomplete, she may address that in her proposed findings; it is not a basis for cross examination.

The next area of Selznick's cross examination is his claim for past broadcast experience, resulting from volunteer activities at certain broadcast stations and cable systems. Again, Selznick does not demonstrate what she intends to show through cross examination in this area, and fails to make any showing that it will be of <u>substantial decisional significance</u>. All Selznick provides in support of her request to examine Mr. Clanton on his claim for broadcast experience is that, "It appears that Mr. Clanton's services are not of the 'stripe' for which the FCC has awarded credit for past broadcast experience."

Such is insufficient to justify Mr. Clanton's appearance for cross examination. Here again, Mr. Clanton was asked no questions about his broadcast experience at his deposition and Selznick is unable to demonstrate what facts she wishes to bring to the Commission's attention through cross examination. She does not even attempt to do so. If Mr. Clanton's experience, as described in his direct case exhibit is

⁷ With regard to Selznick's assertion that Clanton's direct case is "unclear", Clanton has the burden of proving his own case. Selznick's alleged infirmities in Clanton's exhibit on his civic activities may go to the weight given such activities, but do not justify his appearance for cross examination.

⁸ Selznick cites no case to support her allegation.

insufficient to warrant comparative credit, Selznick may argue this point as well in her proposed findings.

Furthermore, broadcast experience is of minor significance in the comparative evaluation. Policy Statement on Comparative Broadcast Hearings, 1 FCC 2d 393 (1965). The amount of broadcast experienced claimed by Mr. Clanton is small. There is nothing Selznick could possibly adduce via cross examination in this area which would be of substantial decisional significance.

Selznick's final area of interest, as expressed in her first notification concerns Mr. Clanton's "other media interests". In her supplement, she refined this to his 20% interest in a pending application for a non-commercial FM station at Ojai, California.9

The response to this is simple. Pending applications are <u>not</u> considered media interests by the Commission. Even absent a divestiture pledge, the pendency of the Ojai application would have no effect on his El Rio application. Moreover, Mr. Clanton testified at deposition that his "interest in that application is to have it as a backup if I am unable to be the successful applicant in these (the El Rio) proceedings." (TR 134, lines 12-14) There is nothing of decisional significance which could possibly arise from cross examination of Mr. Clanton on his involvement in the Ojai application.

In <u>Radio Lake Geneva Corporation</u>, 7 FCC Rcd 5586 (Rev. Bd. 1992), the Board upheld the ALJ's refusal to permit cross examination of an individual applicant on the likelihood of his effectuation of his

⁹ Selznick omits mention of the fact that the Ojai application is for a <u>non-commercial</u> station.

integration proposal. The Review Board stated that the opposing applicant's arguments concerning the need for cross examination were speculative. It held that the opposing applicant failed to raise any significant and material issue of fact in its demand for cross examination.

Selznick's notice to cross examine Mr. Clanton deserves no different fate. She has raised nothing but speculative arguments, utterly lacking in factual or legal support. Simply put, her request for Mr. Clanton to appear for cross examination is wholly without merit under the Commission's policies. No benefit to the public would result from spending the Commission's resources to hold an evidentiary hearing.

Accordingly, Selznick's request for Mr. Clanton to appear for cross examination on the standard comparative issue should be denied.

Respectfully submitted,

RAYMOND W. CLANTON

Jerrold Miller His Attorney

October 26, 1993

Miller & Miller, P.C. P.O. Box 33003 Washington, DC 20033

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FCC 93M-598

In re Applications of)	MM DOCKET NO. 93-87	rec Jan Ja
RAYMOND W. CLANTON)	File No. BPH-911216MC	
LOREN F. SELZNICK)	File No. BPH-911216MD	
For Construction Permit for a New FM Station on Channel 279A In El Rio, California)))		

ORDER

Issued: September 17, 1993 ; Released: September 20, 1993

Under consideration is an unopposed Motion to Further Modify Procedural Schedule, filed September 16, 1993, by Loren Selznick ("Selznick").

Selznick requests the procedural schedule in the above-captioned proceeding be slightly modified.

For good cause shown, IT IS ORDERED that the Motion to Further Modify Procedural Schedule IS GRANTED, and the procedural schedule is modified as set forth in the motion.

IT IS FURTHER ORDERED that the hearing scheduled for October 19, 1993 IS CANCELLED, and IS RESCHEDULED for November 4, 1993, at 10:00 a.m. in the offices of the Commission, Washington, D.C.

FEDERAL COMMUNICATIONS COMMISSION

Administrative Law Judge

October 5, 1993 - Exchange of exhibits (to include the exchanged SIS and signed sworn testimony)

October 19, 1993 - Exchange of notifications of witnesses requested for cross-examination stating reasons and legal precedent (service by hand to Administrative Law Judge and each party)

October 21, 1993 - Exchange of oppositions (if any) to witness requests

October 28, 19934 - Commencement of hearing in Washington, DC (10 AM)

Selznick sincerely appreciates the cooperation of the Presiding

Judge in further modifying the procedural schedule and represents

that no further changes to this schedule will be sought by

Selznick.

WHEREFORE, for good cause shown, Selznick moves that the procedural schedule be so modified.

Respectfully submitted,

Robert Lewis Thompson

PEPPER & CORAZZINI

1776 K Street, N.W., Suite 200

Washington, D.C. 20006

(202) 296-0600

Counsel for Loren Selznick

September 16, 1993

⁴ Should the Judge believe that his October 26, 1993 hearing in another case might require more than two days, then the parties request their hearing to commence on November 4, 1993.

EXCERPTS FROM DEPOSITION OF RAYMOND W. CLANTON

- Q. Is that a piece of property that you own?
- A. Yes, I own that property.
- Q. Do you own that property by yourself or with Peggy?
 - A. With Peggy.
- Q. Both loans were secured by this piece of property?
- A. Both loans were secured by that piece of property.
- Q. If you get the license to build the radio station in El Rio, do you intend to continue working at the fun park?
- A. No, I do not intend to continue working at the fun park.
- Q. Do you intend to have someone else working instead at the fun park?
- A. No, I would have nothing to do with the fun park.
- Q. How do you intend to divorce yourself from your duties at the fun park?
- A. If I am the successful applicant here, I intend to sell the Verde Fun Park.

- Q. Mr. Clanton -- sorry. Ray, we have had a series of questions which I asked and your attorney instructed you not to answer. Are you going to follow the instructions of your attorney?
- A. I am going to follow my attorney's instructions.
- Q. Ray, have you discussed with either Mr. and Mrs. Mulcaire your intention to sell the fun park if you are granted this application?
- A. No, there have been no such discussions with them or anyone else.
 - Q. Does that include Peggy?
- A. No, that doesn't include Peggy. Sorry.
 That's an oversight.
 - Q. You have discussed with Peggy your intention to sell the fun park?
 - A. If I am the successful applicant.
 - Q. What did you tell her?
 - A. I said that if I am the successful applicant, the rules of the FCC state that I must devote my entire time and effort to running of said radio station. Therefore I will be selling the fun

- A. That is correct. My bother operated the business without me.
- Q. Do you have any other businesses presently other than the fun park?
- A. Yes, I have another business other than the fun park.
 - O. What is that?
 - A. It is a research and development entity.
 - Q. What is researched and developed?
- A. Two products that I've developed are a device which sets golf balls automatically on a tee so you don't have to stoop to do so. The other is an outdoor bowling device with an automatic return on it which is far less sophisticated than what is used by the Brunswick people on their indoor machines.
- Q. Are you currently working on developing any new products?
 - A. No, I don't have anymore time to give at the present time.
 - Q. You mentioned the research and development entity. Is it a corporation?



1	A. No, it is a sole proprietorship.
2	Q. When did you first form this sole
3	proprietorship?
4	A. About two years ago.
5	Q. Do you have any employees?
6	A. No, I do not have any employees.
7	Q. So you have developed these products
8	yourself?
9	A. I developed the products myself.
10	Q. When did you first get the idea for the
11	device that sets the golf ball on the tee?
12	A. I would estimate five years ago.
13	Q. And when did you begin developing the
14	product?
15	A. Does your question mean: When was the
16	first prototype made? When were the first drawings
17	made? What does the question mean?
18	Q. Well, what was the first step that you
19	took to develop the product that started that?
20	A. The first sketches were made about four or

five years ago, I would estimate.

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When was the first prototype made?

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- A. It was begun in that time frame and it required a month and a half to two months to complete.
- Q. And, likewise, the prototype of the bowling device was begun about a year ago?
 - A. Yes, that's true. About a year ago.
 - Q. How long did that take?
 - A. About three and a half months.
 - Q. Where did you construct these things?
- A. I built part of them, the devices, in California. I built part of the devices in Arizona.
- Q. If your application is granted for the El Rio station, what do you intend to do with the research and development entity?
- A. I will dissolve the research and development entity.
 - Q. Do you have any other businesses?
- A. No. That's the extent of my formal business.
 - Q. Do you have any informal businesses?
- A. Yes. I am still interested in real

- estate. I am still interested in investments.
- Q. Do you own any rental properties?
- A. Yes, I own one rental property at present.
 - Q. Where is that?
 - A. That's in Ventura, California. I need to amplify that. My mind interpreted you to say residential rental properties. What I said is true. It is residential. I do have another commercial property that is rental which in Oxnard/El Rio, California.
 - Q. Do you have tenants in these properties?
 - A. Yes, I have tenants in each property.
 - Q. How many?
 - A. One tenant per property. I need to amplify that. The residential property is a family. So there are more than one person. There is more than one person.
 - Q. Do you have any duties as the landlord to these properties?
 - A. Yes, I am required to perform certain given tasks that are covered in the agreements.

- Q. How often?
- A. I visit each property at least ten to fifteen times, maybe twenty times, a year with the exception of the past four or five months.
- Q. And how long do you spend at the property when you visit?
- A. The time I spend at each property varies with the desire of the occupants to talk.
 - Q. What would you say the range was?
 - A. A half hour to an hour.
- Q. Do you own any other rental properties anywhere in addition to these two?
- A. No, I do not own any other rental properties.
- Q. Do you have other investments in which you play some active role?
- A. Well, I have an investment in the Franklin Fund and I watch the return on that money. I have an investment with the Arvida, A-R-V-I-D-A, Partnership and I watch very closely that investment.
 - Q. What is the Arvida Partnership?

\$ 15

comparative issue, dollar figures, essentially the one requested in this question, are just not relevant and are fishing for a financial issue, and I instructed the witness not to answer the question pending your ruling.

THE COURT: I am going to have to sustain the objection. In light of the divestiture commitment made, it's complete, and in light of that, the question as to monthly payments is irrelevant at the present time. Perhaps in the future, some plan will be explored where that might make it relevant, but at the present time it isn't.

MR. THOMPSON: Okay, Your Honor.

Thank you. The reporter is ready to read the next question.

(The following question read as follows:

How much were the offers?")

MR. THOMPSON: That question, Your Honor, "how much were the offers," in context was a question about offers that Mr. Clanton contends that he has received to date to sell the fun park.

۳Q.

Do you intend to sell your home in Sedona? 2 Q. 3 Α. Yes, we will be selling our home in Sedona. 5 Q. Have you had a leadership role in any civic activities in either Sedona or California? 7 MR. MILLER: I am going to object to 8 Sedona. Civic activities outside of the community 9 of interest are not relevant. 10 MS. SELZNICK: They are if they are at the time of --11 12 MR. MILLER: He is moving. You have just asked him if he is leaving Sedona. 13 14 leaving Sedona. He is selling his house in Sedona. 15 I am objecting to the question as it relates to 16 Sedona. 17 MS. SELZNICK: So it's your position 18 that if he spends a lot of time giving something in 19 Sedona, such as a business, it wouldn't be relevant. 20 MR. MILLER: He has testified he is 21 spending seventy hours or so at the fun park.

Yes, Peggy will be with me.

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has testified he is selling the fun park. We have



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- Q. When was the application filed in Ojai?
- A. On or about 1987.
 - Q. Do you know what's happening with it, that it is still pending?
 - A. I have no knowledge of the whereabouts of that application.
 - Q. Was there a hearing?
 - A. No, there was not a hearing on that application.
 - Q. What kind of interest do you have in that application?
 - A. My interest in that application is to have it as a backup if I am unable to be the successful applicant in these proceedings.
 - Q. Do you have a financial interest in that application?
 - A. I am a 20 percent owner in that application.
 - Q. Is that as a result of an investment of personal funds?
- A. The corporation is inactive and those of us who formed the corporation have not expended any

CONTINUE OF SPRICE

I hereby certify that on this 24 day of 93 a copy of the foregoing document was placed in the United States mail, first class postage prepaid, addressed to the following:

Paulette Laden, Esq.
Hearing Branch, Enforcement Division
Mass Media Bureau
Federal Communications Commission
2025 M Street, NW, Suite 7212
Washington, DC 20554

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Robert L. Thompson, Esq. Pepper & Corazzini 1776 K Street, NW, Suite 200 Washington, DC 20006

Rapin W. Juin